

F I L E D

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U.S. BANKRUPTCY COURT
RICHMOND DIVISION

September 11, 2009

Clerk of the Bankruptcy Court
U.S. Bankruptcy Court,
701 East Broad Street - Room 4000
Richmond, VA 23219

Re: Circuit City Bankruptcy - Claim for Francis E. Telegadas - Case Number 08-35653
(Case Jointly Administered)

Response to Debtors Thirty Sixth Omnibus Objection re claims involving Short Term Incentive Plan

Francis Telegadas claim number 5666 listed in Objection - Minimum Amount claimed - \$30,201.13

Clerk of Bankruptcy Court:

Please accept this response to the Debtor's to objection to my claim involving the Short Term Incentive Plan owed to me. I have previously filed this claim in January as an unsecured claim and in June as an administrative claim. The response filed by the debtors to these claims is in error and should be disallowed.

The Short Term Incentive Program (or annual bonus plan) was a two part plan - part based on company performance and part on individual performance. My claim only relates to the individual performance piece. In summary my claim is set forth below

Bonus program - the normal company bonus plan offered each year based on a combination of Personal Performance and part on Company Performance. My FY 2009 Bonus is based on salary (\$172,577.90) with a potential for 35% award (\$60,402.26). Half of it is based on company performance and half on personal performance. If I met my performance goals my minimum share would be one-half of \$60,402.26 - or \$30,201.13. My performance this year is enough that I would have at least secured this minimum amount. I was employed through the end of the FY (2-28-09). My employment did not end until 4-17-09. The company has the documentation on bonus programs, policies and past performance evaluations and performance during FY2009 in its records.

The debtor's objections are specious at best. I am entitled to at least the minimum portion of my individual performance piece. The only requirement was that I be

employed through the end of the Fiscal year 2009 (through Feb 28, 2009) and that my performance was at least a "3" out of a 1-5 scale. I clearly meet both criteria.

It is undisputed that I was continuously employed the entire FY2009 - there is no contention otherwise and I can personally attest to that and the company records show that I was so employed. On the performance criteria - my performance in the FY was at least the competent rating of a "3". I can attest to the work I performed and my manager Reginald Hedgebeth former Sr. VP and General Counsel could as well. In addition - my mid-year performance review met this standard. Had I been performing below that standard the company was to provide feedback prior to the end of the year - that never occurred. It is clear from the company policy that no one performing at less than a "3" should be surprised by that rating. I never received any feedback that my performance was not on track; in fact just the opposite. Further - the company kept me on as an essential employee working continuously from the announcement of the liquidation through the initial "WARN" notice period and further extended my work through April 16, 2009. Had my performance been substandard I would not have been deemed part of the "essential personnel" kept on after the liquidation was announced. The individual portion of the bonus was NOT tied to company performance but individual performance only.

The criteria that I and persons situated like me needed to be employed through a mythical mid-May date to be entitled to this bonus is not founded in fact. The claim that the company did not award a bonus and generally declared bonuses in May so we are not entitled to this claim for the individual performance portion of the bonus is circular reasoning. I worked and performed on an individual basis through the FY. It was the fact of bankruptcy and ultimately the liquidation that caused the bonus to not get paid and end my employment relationship in April of 2009. I am entitled to that piece of the bonus based on individual performance as a claim in the bankruptcy. It is the bankruptcy that affected my rights – that is the essence of a claim in bankruptcy.

The above claim is based on employment with the company through the entire FY 2009 which covers employment both pre and post bankruptcy and I am similarly situated with other employees on these claims. My claim and the assertions in this letter are personally known to me. My contact information is at the top of the letter and I have the authority to resolve/settle this claim.

Please consider this letter, and the claim form and exhibits previously filed with my January and June claims to be support for administrative and or unsecured claims identified in this letter. Since the claim involves both work done before and after the November bankruptcy filing but is only available since I worked through February 2009 I feel this should be an administrative claim but if not, it is at a minimum an unsecured claim.

Please feel free to contact me if you have any questions.

Sincerely,



Francis E. Telegadas

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I hereby certify that the above letter was filed in the court and sent so it was received by the above entities and persons on or before 4:00PM, September 15, 2009.



Francis E. Telegadas